

JANUARY 4, 2008

THE DIRECTOR OF THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION TOOK FORMAL ACTION ON JANUARY 8, 2008, IN THE TRUST LANDS ADMINISTRATION OFFICE, 675 EAST 500 SOUTH, SUITE 500, SALT LAKE CITY, UTAH 84102-2818, ON THE MINERAL, SURFACE, DEVELOPMENT, AND FEE WAIVER BUSINESS MATTERS AS INDICATED AND WHICH BECOME EFFECTIVE AT 5:00 P.M. ON JANUARY 4, 2008.

THESE MINUTES INCLUDE MINERAL ACTIONS AS LISTED ON PAGES 1 TO 7; SURFACE ACTIONS AS LISTED ON PAGES 8 TO 16; DEVELOPMENT ACTIONS AS LISTED ON PAGES 16 TO 18; AND ACTIONS CONTAINING FEE WAIVERS AS LISTED ON PAGE 18.

THESE MINUTES ARE DEEMED THE FINAL AGENCY ACTION CONCERNING THESE MATTERS AND ARE SUBJECT TO REVIEW AND/OR ADJUDICATION PURSUANT TO R850-8 OF THE AGENCY'S RULES. ANY APPEAL OF MATTERS CONTAINED WITHIN THESE MINUTES MUST BE IN WRITING, PURSUANT TO R850-8-1000, AND MUST BE RECEIVED BY THE OFFICE OF THE DIRECTOR BY 5:00 P.M. ON FRIDAY, JANUARY 18, 2008. APPEALS NOT FILED BY THAT TIME WILL BE CONSIDERED UNACCEPTABLE AND THE MATTERS WILL BE UNAPPEALABLE.



KEVIN S. CARTER, DIRECTOR
SCHOOL AND INSTITUTIONAL
TRUST LANDS ADMINISTRATION



LESLIE M. WARNER, RECORDS OFFICER

ARCHIVES APPROVAL NO. 7990209

MINERAL ACTIONS

MATERIALS PERMIT NO. 406 SAND AND GRAVEL (APPROVAL)

APPLICANT:

Running Foxes Petroleum
7060 South Tucson Way
Centennial, CO 80112

AFFECTED LANDS:

Township 20 South, Range 24 East, SLB&M.
Section 32: SE $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$

COUNTY: Grand

ACRES: 2.38

FUND: SCH

PORPOSED ACTION:

Applicant proposes to mine common sand and gravel from the subject lands to aid in construction of a natural gas pipeline.

RELEVANT FACTUAL BACKGROUND:

The subject lands are the historic site of sand and gravel production and have been designated by the Director as suitable for sale of over-the-counter sand and gravel permits. No undisturbed lands are included in this permit. Because of these facts, this action is exempt from the State of Utah Resource Development Coordinating Committee ("RDCC") review. Royalty rate set for this permit is \$0.83 per cubic yard of material which is consistent with royalty rates for Sand and Gravel Material Permits in Grand County. The public notice process was completed and no competitive bids were received. Consultation with the Trust Lands Administration Staff Archeologist resulted in the determination that because excavation will be limited to an area of historic disturbance and no additional surface lands will be disturbed, a survey will not be required. Applicant requested a five year term for this permit.

EVALUATION OF FACTS:

R850-23-200 states that the Agency may issue materials permits or convey profits a prendre or similar interests on trust lands where the Agency deems it consistent with land use plans and Trust responsibilities. Mining of sand and gravel on these lands is an appropriate use of the lands. The royalty rate set for the materials to be produced from the lands meets the requirements of R850-23-300(2)(b). The permit contains a clause providing for the periodic readjustment and escalation of the royalty rate to meet increases in market rates in the area. The five-year term of the permit is consistent with the requirements of R850-23-400. This action qualifies for an exception to the Administrative Policy of Records of Decision. This action is not considered substantive and does not warrant the time and expense necessary to complete a full narrative record of decision, nor is there any evidence that any interested party might be denied access to an appeal process. This summary shall constitute the record of decision.

Upon recommendation of Mr. Tom Faddies, the Director approved the issuance of Materials Permit No. 406 for a term of five years.

MATERIALS PERMIT NO. 412 OVER-THE-COUNTER SAND AND GRAVEL (APPROVAL)

APPLICANT:

Gregory L. Hunt
16577 Columbine Lane
Cedaredge, CO 81415

AFFECTED LANDS:

Township 29 South, Range 15 East, SLB&M.
Section 2: Lot 1 [NE¹/₄NE¹/₄]

COUNTY: Wayne

ACRES: 39.37±

FUND: SCH

The above-referenced lands are the site of historic sand and gravel operations. The lands have been designated by the Director for over-the-counter sand and gravel sales.

Upon recommendation of Mr. Tom Faddies, the Director approved the issuance of MP 412 for a term of one year.

MATERIALS PERMIT NO 413 OVER-THE-COUNTER SAND AND GRAVEL (APPROVAL)

APPLICANT:

Bill Barrett Corporation
1099 18th Street, Suite 2300
Denver, CO 80202

AFFECTED LANDS:

Township 12 South, Range 15 East, SLB&M.
Section 16: All

COUNTY: Carbon

ACRES: 640.0±

FUND: SCH

The above-referenced lands are the site of historic sand and gravel operations. The lands have been designated by the Director for over-the-counter sand and gravel sales. Applicant utilizes excess materials from mud pit construction and operation to maintain well pads and access roads in a natural gas field.

Upon recommendation of Mr. Tom Faddies, the Director approved the issuance of MP 413 for a term of one year.

MATERIALS PERMIT NO. 284 SAND AND GRAVEL RECLAMATION SURETY (ACCEPTANCE)

PERMITTEE:

Alta View Concrete
9547 South 500 West
Salt Lake City, UT 84078

AFFECTED LANDS:

Township 16 South, Range 1 East, SLB&M.
Section 31: Lots 1 & 2 [Within]

COUNTY: Utah

ACRES: 8.539

FUND: SCH

Utah County has required Alta View Concrete to post a bond assuring that they and their operator(s) will comply with reclamation requirements for the above-referenced Materials Permit. The bond amount is \$19,686 which reflects \$2300 per acre for each of the 8.559 acres disturbed under the current mine plan. Utah County will hold the bond.

Upon recommendation of Mr. Tom Faddies, the Director approved bonding in the amount of \$19,686 for the subject lands and consented to Utah County holding the reclamation surety.

EXPIRATION OF RIGHT OF MINERAL ENTRY (PL105 MULTIPLE)

The following-described Right of Mineral Entry to conduct coal exploration drilling on the SITLA Muddy Coal Tract reached the end of its term on December 31, 2007, and is expired. Two bore holes were drilled and were reclaimed on the permitted lands.

ML 50186

Ark Land Company
ATTN: Mark Bunnell
Skyline Mine
HC 35 Box 380
Helper, UT 84526

T20S, R5E, SLB&M.

Sec. 32: S½S½
Sec. 33: S½S½

Sevier
2553.84 acres

T21S, R5E, SLB&M.

Sec. 4: All
Sec. 5: All
Sec. 6: All
Sec. 7: All
Sec. 8: All
Sec. 9: All

This item was submitted by Mr. Blake for record-keeping purposes only.

EXPIRATION OF LIMESTONE MINERAL LEASE ML 50575 (SCH)

The following-described Limestone Mineral Lease was issued for a one year term ending December 31, 2007, to enable the lessee, Bryce Haas, to complete reclamation of the B&C Limestone Quarry which was previously opened and operated on trust lands under Mineral Lease ML 48949-OBA. ML 48949-OBA was originally issued to B&H Stone Company, which was liquidated and ceased to exist as a legal entity pursuant to a June 2005, bankruptcy filing. Mr. Haas was the owner of B&H Stone Company. Mr. Haas no longer has any lease rights under ML 50575 and has no legal right to enter or operate on the leasehold lands.

ML 50575

Bryce Haas

P.O. Box 289

Gunnison, UT 84634

T18S, R1E, SLB&M.

Sec. 32: S½SW¼

Sanpete

159.60 acres

T19S, R1E, SLB&M.

Sec. 5: Lots 3, 4

This item was submitted by Mr. Blake for record-keeping purposes only.

GEOHERMAL LEASE APPROVALS

Upon recommendation of Mr. Stokes, the Director approved the Geothermal Lease applications encompassing lands that are not included within any known federally designated Geothermal Resource Area (KGRA); therefore, the lands are available for over-the-counter Geothermal Lease. As per Withdrawal 47 (Geothermal), trust lands within a KGRA will only be offered for lease through the Trust Lands' competitive bid leasing process. Over-the-counter Geothermal Lease Agreements are issued at a minimum annual rental of \$500 per lease or \$1 per acre, whichever is greater. The production royalty is 10% of the gross value of the leased substance. The land status has been examined utilizing the business system and plat books and the land was found to be open and available for Geothermal Lease. The applications have been checked for completeness and found to be in proper order. The business system and plat books have been updated to show these applications as existing contracts on the land described below.

ML 51183

Intermountain Renewable Power, LLC

5152 North Edgewood Dr.

Suite # 375

Provo, UT 84601

T21S, R8W, SLB&M.

SEC. 16: ALL

SEC. 32: ALL

Millard

1939.20 Acres

T22S, R9W, SLB&M.

SEC. 2: ALL

Annual Rental: \$1940

FUND: SCH

Overpayment Refund: \$620

GEOHERMAL LEASE APPROVALS (CONTINUED)

<u>ML 51184</u> Intermountain Renewable Power, LLC 5152 North Edgewood Dr. Suite # 375 Provo, UT 84601 Annual Rental: \$1281 FUND: SCH	<u>T35S, R15W, SLB&M.</u> SEC. 36: LOTS 1(39.98), 2(41.89), 3(40.25), 4(38.50), W½, SE¼ [ALL] <u>T33S, R17W, SLB&M.</u> SEC. 32: ALL	Iron 1280.62 Acres
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Overpayment Refund: \$799

<u>ML 51185</u> Intermountain Renewable Power, LLC 5152 North Edgewood Dr. Suite # 375 Provo, Utah 84601 Annual Rental: \$1198 FUND: SCH: 960.00 Acres NS: 197.72 Acres RES: 40.00 Acres	<u>T19S, R9W, SLB&M.</u> SEC. 36: ALL <u>T19S, R8W, SLB&M.</u> SEC. 31: LOTS 2(38.96), 3(38.76), E½NW¼, E½SW¼ <u>T20S, R8W, SLB&M.</u> SEC. 2: S½	Millard 1197.72 Acres
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Overpayment Refund: \$2

<u>ML 51186</u> Intermountain Renewable Power, LLC 5152 North Edgewood Dr. Suite # 375 Provo, Utah 84601 Annual Rental: \$1279 FUND: SCH	<u>T33S, R17W, SLB&M.</u> SEC. 36: E½, SW¼ <u>T34S, R17W, SLB&M.</u> SEC. 16: E½ SEC. 21: NE¼ SEC. 3: LOTS 1(39.50), 2(39.59), 3(39.67), 4(39.76), S½N½	Iron 1278.52 Acres
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Overpayment of \$21: \$7 of this overpayment is applied to underpayment of rental for application ML 51187. Total overpayment refund for rentals submitted with ML 51186 is \$14.00.

GEOHERMAL LEASE APPROVALS (CONTINUED)

<u>ML 51187</u> Intermountain Renewable Power, LLC 5152 North Edgewood Dr. Suite # 375 Provo, Utah 84601	<u>T20S, R9W, SLB&M.</u> SEC. 2: LOTS 1(54.69), 2(48.18), 3(48.30), 4(48.40), 5(43.90), 6(42.37), 7(40.79), SW $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$ [ALL] SEC. 36: ALL	Millard 1446.25 Acres
Annual Rental: \$1447	<u>T20S, R8W, SLB&M.</u> SEC. 5: LOT 3(39.62), SW $\frac{1}{4}$ NE $\frac{1}{4}$ SEC. 8: NE $\frac{1}{4}$ NE $\frac{1}{4}$	
FUND: SCH: 1326.63 NS: 79.62 RES: 40.00		

Underpayment of \$7 will be transferred from overpayment for application ML 51186.

METALLIFEROUS MINERAL LEASE APPROVALS

Upon recommendation of Mr. Stokes, the Director approved the Metalliferous Minerals lease applications listed below at a minimum annual rental rate of \$500 per lease or \$1 per acre, whichever is greater. The production royalty, as provided in the lease form, approved by the Director of the Trust Lands Administration, is 8% for fissionable minerals and 4% for non-fissionable minerals - based on the gross value of the ore. The land status has been examined utilizing both the plat books and the business system and the lands were found to be open and available. The applications have been checked for completeness and found to be in proper order. The business system and plat books have been updated to show the lease applications as existing contracts on the lands described below:

<u>ML 51188</u> Newmont North American Exploration, Ltd. 555 Fifth Street Elko, NV 89801	<u>T32S, R20W, SLB&M.</u> SEC. 36: ALL	Iron 640.00 Acres
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Annual Rental: \$640

FUND: SCH

<u>ML 51189</u> Newmont North American Exploration, Ltd. 555 Fifth Street Elko, NV 89801	<u>T33S, R20W, SLB&M.</u> SEC. 1: SE $\frac{1}{4}$ SE $\frac{1}{4}$ SEC. 2: LOTS 1(49.66), 2(46.53), 3(37.54), 4(37.49), 5(37.42), SE $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$ [ALL]	Iron 368.64 Acres
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Annual Rental: \$500

FUND: SCH

METALLIFEROUS MINERAL LEASE APPROVALS (CONTINUED)

<u>ML 51190</u>	<u>T33S, R19W, SLB&M.</u>	Iron
Newmont North American Exploration, Ltd.	SEC. 6: LOT 5(28.99) [Aka SW ¹ / ₄ NW ¹ / ₄]	28.99 Acres
555 Fifth Street		
Elko, NV 89801		

Annual Rental: \$500

FUND: SCH

TOTAL ASSIGNMENT – METALLIFEROUS MINERALS LEASE

Upon recommendation of Mr. Stokes, the Director approved the assignment of the lease listed below to South American Minerals Inc., 76 Beaver Street, Suite 2000, New York, NY 10005, by Philip F. Gramlich. No override.

OWNERSHIP BEFORE ASSIGNMENT:

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

RECORD TITLE:

PHILIP F. GRAMLICH – 100%

SOUTH AMERICAN MINERALS INC. – 100%

....ML 50916 (SCH)....

CORRECTIVE TOTAL ASSIGNMENT LEASES – BITUMINOUS-APHALTIC SANDS LEASES – ML 50154, ML 50155, ML 50156, ML 50157, ML 50158, ML 50162, AND ML 50165

The Director, on October 26, 2007, approved the total assignment of the above-numbered leases to Enercor Energy, LLC by George D. Fehr who reserved 6.25% overriding royalty. Both parties have agreed and submitted corrective assignments to reflect that the 6.25% overriding royalty reserved was for profit participation only.

Upon recommendation of Mr. Stokes, the Director approved the above-listed correction.

TOTAL ASSIGNMENT – OIL, GAS, AND HYDROCARBON LEASE

Upon recommendation of Ms. Garrison, the Director approved the assignment of the lease listed below to D. J. Simmons Company Limited Partnership, P.O. Box 1469, Farmington, NM 87499, by Mike Davis, who reserves 5% of 8/8ths overriding royalty. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

RECORD TITLE:

MIKE DAVIS – 100%

***D. J. SIMMONS COMPANY LIMITED
PARTNERSHIP – 100%***

....ML 49679 (SCH)....

SURFACE ACTIONS

RIGHTS OF ENTRY

RIGHT OF ENTRY NO. 5110 (APPROVAL)

The Trust Lands Administration has received a right of entry permit application from Beaver Creek Lodge, Inc., Attn. Bryan Lundahl, P.O. Box 545, Providence, Utah 84332, to conduct guided snowmobile tours and guided horseback riding tours on the following trust lands:

<u>Township 14 North, Range 4 East, SLB&M</u>	<u>Acres</u>
Section 5: SW $\frac{1}{4}$	160.00
Section 6: Lots 6, 7, E $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$	315.32
Section 7: NE $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ E $\frac{1}{2}$	240.00
Section 8: All	640.00

County: Cache

Acres: 1,355.32

Fund: School

The permit will be issued for non-exclusive use for guided horseback riding tours during the summer period and guided snowmobiling tours during the winter period. The permit shall have a one-year term, with an effective commencement date of December 1, 2007, and an expiration date of November 30, 2008.

The fee for this permit is three percent (3%) of the gross revenue receipts for the horseback riding and snowmobile tours. The applicant has paid the minimum rental of \$150.00 plus a \$50.00 application fee and a \$50.00 processing charge, totaling \$250.00. The remainder of the rental shall be calculated based on gross revenues and paid in arrears on or before December 1, 2008.

The permittee is a Utah Corporation in good standing with the State of Utah and has provided proof of insurance coverage. The permittee has a record of satisfactory performance with the Forest Service and the State. The previous permit, ROE 4983, expired November 30, 2007, and previous payments have been made as required by the agreement.

Upon recommendation of Mr. Gary Bagley, the Director approved Right of Entry Permit No. 5110 as described above.

EASEMENTS**EASEMENT NO. 1241 (APPROVAL)****APPLICANT'S NAME AND ADDRESS:**

Eagle Mountain City
1650 E. Stagecoach Run
Eagle Mountain, Utah 84005

LEGAL DESCRIPTION:

Township 5 South, Range 1 West, SLB&M

Section 29: SW $\frac{1}{4}$ SW $\frac{1}{4}$ (within)

A parcel of land, situated in the southwest quarter of the southwest quarter of Section 29, Township 5 South, Range 1 West, Salt Lake Base Meridian, County of Utah, State of Utah; being more particularly described as follows:

Commencing at the southwest corner of Section 29, T5S, R1W, SLB&M, a found brass cap, running thence North 89°57'32" East a distance of 73.52 feet to the true point of beginning; thence along the easement parcel boundary the following (4) four courses: North 14°53'09" East a distance of 887.74 feet; thence North 70°53'37" East a distance of 90.46 feet; thence South 14°53'09" West a distance of 918.32 feet; thence South 89°57'32" West a distance of 77.62 feet to the point of beginning, said point lies South 89°57'32" West a distance of 2582.87 feet from the south quarter corner of Section 29, T5S, R1W, SLB&M, a found brass cap.

The total area of a power line easement as described above is 67,727 square feet or 1.55 acres more or less.

Township 5 South, Range 1 West, SLB&M

Section 31: E $\frac{1}{2}$ E $\frac{1}{2}$ (within)

A parcel of land, situated in the east half of the east half of Section 31, Township 5 South, Range 1 West, Salt Lake Base Meridian, County of Utah, State of Utah; being more particularly described as follows:

Commencing at the northeast corner of Section 31, T5S, R1W, SLB&M, a found brass cap, running thence South 01°08'50" West along the east line of the northeast quarter of said Section 31 a distance of 299.12 feet to the true point of beginning; thence along the easement parcel boundary the following (6) six courses: South 01°08'50" West along the east line of the NE $\frac{1}{4}$ of Section 31, a distance of 315.80 feet; thence South 14°53'09" West a distance of 3338.36 feet; thence South 27°14'37" West a distance of 1009.99 feet to a point which lies on the east line of the U.S.A. property; thence North 00°10'43" West along said east line a distance of 162.85 feet; thence North 27°14'37" East a distance of 857.32 feet; thence North 14°53'09" East a distance of 3637.01 feet to the point of beginning which lies on the said east line, said point lies North 01°08'50" East a distance of 2375.21 feet from the east quarter corner of Section 31, T5S, R1W, SLB&M, a found brass cap.

The total area of a power line easement as described above is 331,601 square feet or 7.61 acres more or less.

COUNTY: Utah

ACRES: 9.16

FUND: School

EASEMENT NO. 1241 (APPROVAL) (CONTINUED)**PROPOSED ACTION:**

The applicant requests an easement to construct, operate, repair, and maintain an overhead 138 kV power transmission line. The proposed power line will extend from the City's existing North Substation located in Sec. 20, T5S, R1W, to the City's planned South Substation to be located in Sec. 7, T6S, R1W. The power line will run along the east side of an existing utility corridor which currently contains a 345 kV power transmission line operated by PacifiCorp (ROW 1217), the Kern River Gas Pipeline (ROW 3104), and a fiber optics line operated by Wiltel (ESMT 461). This project is needed to facilitate the delivery of power to the south end of the City. The proposed easement corridor is approximately 5325 feet long and 75 feet wide, containing 9.16 acres. The proposed term of the easement is 30 years and will include a provision granting the applicant the right to renew the easement for subsequent 30 year terms upon payment of applicable fees.

RELEVANT FACTUAL BACKGROUND:

The Resource Development Coordinating Committee ("RDCC") review was initiated on January 24, 2007. RDCC did not submit any comments.

The project area has been previously surveyed for cultural resources by SWCA Environmental Consultants (U-07-ST-0675b,p,s) with a finding of no adverse affect on historic properties. The Trust Lands Administration's staff archaeologist and the State Historic Preservation Office ("SHPO") have reviewed the project and concur with this finding.

An appraisal of the lands underlying the easement corridor was conducted by Free and Associates, Inc. on July 23, 2007, (Report #931-07-L). This appraisal was reviewed by Trust Lands Administration staff familiar with the easement lands and it has been determined to be acceptable. The easement fee has been calculated at 80% of the appraised value of the easement lands.

EVALUATION OF FACTS:

1. The proposed easement is not located entirely on trust lands.
2. The proposed easement term is for a period of 30 years with the option to renew the easement for additional 30 year terms upon payment of applicable fees.
3. The applicant has paid the School and Institutional Trust Lands Administration the fees as determined pursuant to R850-40-600.
4. The proposed easement will not have an unreasonably adverse affect on the developability or marketability of the subject property.

The action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Chris Fausett, the Director approved Easement No. 1241 for an initial term of 30 years beginning December 1, 2007, and expiring November 30, 2037, with the easement fee being \$95,855.00 plus the \$750.00 application fee. The administrative fee required pursuant to R850-40-1800 has been paid in a one-time payment of \$1,000.

EASEMENT NO. 1314 (APPROVAL)**APPLICANT'S NAME AND ADDRESS:**

EnCana Oil & Gas (USA) Inc.
370 17th Street, Suite 1700
Denver, Colorado 80202

LEGAL DESCRIPTION:

Township 29 South, Range 25 East, SLB&M
Section 32: W $\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$ (within)

An easement 50.00 feet wide for a pipeline, lying within the west half of Section 32, Township 29 South, Range 25 East, 6th Principal Meridian, San Juan County, Utah, lying 25.00 feet on each side of the following described centerline:

Commencing at the southwest section corner of said Section 32, thence N 01°19'44" W 1421.03 feet to the true point of beginning and a point on the west line of said Section 32; thence N 56°58'37" E 883.96 feet; thence N 56°21'18" E 672.60 feet; thence N 59°05'19" E 226.73 feet; thence N 45°46'40" E 113.18 feet; thence N 01°09'26" W 152.71 feet; thence N 36°05'13" W 39.29 feet; thence N 37°50'25" W 271.37 feet; thence N 45°28'33" W 305.49 feet; thence N 46°29'11" W 354.40 feet; thence N 47°07'24" W 359.25 feet; thence N 42°03'10" W 266.33 feet; thence N 40°34'34" W 346.58 feet; thence N 40°49'13" W 308.30 feet; thence N 20°57'23" W 254.59 feet; thence N 78°57'05" W 21.54 feet to a point on the west line of said Section 32, said point being S 01°19'44" E 865.31 feet from the northwest section corner of said Section 32. Contains 5.25 acres more or less.

COUNTY: San Juan

ACRES: 5.25

FUND: School

PROPOSED ACTION:

The applicant requests an easement to construct, operate, repair, and maintain a 6.625-inch diameter natural gas pipeline in San Juan County. The proposed pipeline will service the Middle Mesa Federal 5-6-30-25 Well located on federal lands to the south. A portion of the pipeline will be laid alongside a new access road which is under review as Easement No. 1316. The portion of the pipeline which is located alongside the new access road will be laid on the surface, while the remainder of the pipeline will be buried. The proposed easement corridor is 4,576.32 feet long and 50 feet wide, containing 5.25 acres. The proposed term of the easement is 30 years.

RELEVANT FACTUAL BACKGROUND:

The Resource Development Coordinating Committee ("RDCC") review was initiated on September 27, 2007. Comments were received from the Utah Geological Survey and the Southeastern Utah Association of Governments, as follows:

Utah Geological Survey:

"Although there are no paleontological localities recorded in our files for this project area, the Cretaceous Dakota and Burro Canyon Formations and the Jurassic Morrison Formation exposed here have the potential for yielding significant vertebrate fossil localities. The Office of the State Paleontologist, therefore, recommends a paleontological survey be conducted for this project and its easements by a paleontologist with a valid permit."

Southeastern Utah Association of Governments:

"Favorable comment recommended."

EASEMENT NO. 1314 (APPROVAL) (CONTINUED)

Pursuant to the comments received from the Utah Geological Survey, the project area has been surveyed for paleontological resources by SWCA Environmental Consultants (Report No. UT07-13692-025). No fossils were observed along the course of the proposed pipeline, therefore the project is cleared without further mitigation. If any fossils are discovered during construction, a qualified paleontologist should be notified immediately to evaluate the discovery.

The project area has been surveyed for cultural resources by 4 Corners Archaeological Services (U-06-FE-0930b,s) with a finding of "No Historic Properties Affected." The Trust Lands Administration's staff archaeologist and the State Historic Preservation Office ("SHPO") have reviewed the project and concur with this finding.

EVALUATION OF FACTS:

1. The proposed easement is not located entirely on trust lands.
2. The proposed easement term is for a period of 30 years.
3. The applicant has paid the School and Institutional Trust Lands Administration the fees as determined pursuant to R850-40-600.
4. The proposed easement will not have an unreasonably adverse affect on the developability or marketability of the subject property.

The action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Chris Fausett, the Director approved Easement No. 1314 for a term of 30 years beginning January 1, 2008, and expiring December 31, 2037, with the easement fee being \$3,336.00 plus the \$750.00 application fee. Pursuant to R850-40-1800, an administrative fee will be assessed every three years throughout the term of the easement, with the first payment being due on January 1, 2011.

EASEMENT NO. 1316 (APPROVAL)

APPLICANT'S NAME AND ADDRESS:

EnCana Oil & Gas (USA) Inc.
370 17th Street, Suite 1700
Denver, Colorado 80202

LEGAL DESCRIPTION:

Township 29 South, Range 25 East, SLB&M
Section 32: N½SW¼ (within)

An easement 50.00 feet wide for an access road, lying within the N½ of the SW¼ of Section 32, Township 29 South, Range 25 East, 6th Principal Meridian, San Juan County, Utah, lying 25.00 feet on each side of the following described centerline:

Commencing at the southwest section corner of said Section 32, thence N 01°19'44" W 1421.03 feet to the true point of beginning and a point on the west line of said Section 32; thence N 56°58'37" E 883.96 feet; thence N 56°21'18" E 672.60 feet; thence N 59°05'19" E 226.73 feet; thence N 45°46'40" E 113.18 feet; thence N 01°09'26" W 152.71 feet; thence N 36°05'13" W 39.29 feet to the point of ending. Containing 2.39 acres more or less.

EASEMENT NO. 1316 (APPROVAL) (CONTINUED)**PROPOSED ACTION:**

The applicant requests an easement to construct, operate, repair, and maintain an access road in San Juan County. The access road will be used to service the Middle Mesa Federal 5-6-30-25 Well located on federal lands to the south. The access road currently exists as a two-track road; however, the applicant is proposing to reconstruct and improve the road in order to bring it up to a usable standard. The proposed easement corridor is 2088.47 feet long and 50 feet wide, containing 2.39 acres. The proposed term of the easement is 30 years.

RELEVANT FACTUAL BACKGROUND:

The Resource Development Coordinating Committee ("RDCC") review was initiated on September 27, 2007. Comments were received from the Utah Geological Survey and the Southeastern Utah Association of Governments, as follows:

Utah Geological Survey:

"Although there are no paleontological localities recorded in our files for this project area, the Cretaceous Dakota and Burro Canyon Formations and the Jurassic Morrison Formation exposed here have the potential for yielding significant vertebrate fossil localities. The Office of the State Paleontologist, therefore, recommends a paleontological survey be conducted for this project and its easements by a paleontologist with a valid permit."

Southeastern Utah Association of Governments:

"Favorable comment recommended."

Pursuant to the comments received from the Utah Geological Survey, the project area has been surveyed for paleontological resources by SWCA Environmental Consultants (Report No. UT07-13692-025). No fossils were observed along the course of the proposed road, therefore the project is cleared without further mitigation. If any fossils are discovered during construction, a qualified paleontologist should be notified immediately to evaluate the discovery.

The project area has been surveyed for cultural resources by 4 Corners Archaeological Services (U-06-FE-0930b,s) with a finding of "No Historic Properties Affected." The Trust Lands Administration's staff archaeologist and the State Historic Preservation Office ("SHPO") have reviewed the project and concur with this finding.

EVALUATION OF FACTS:

1. The proposed easement is not located entirely on trust lands.
2. The proposed easement term is for a period of 30 years.
3. The applicant has paid the School and Institutional Trust Lands Administration the fees as determined pursuant to R850-40-600.
4. The proposed easement will not have an unreasonably adverse affect on the developability or marketability of the subject property.

The action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Chris Fausett, the Director approved Easement No. 1316 for a term of 30 years beginning January 1, 2008, and expiring December 31, 2037, with the easement fee being \$1,905.00 plus the \$750.00 application fee. Pursuant to R850-40-1800, an administrative fee will be assessed every three years throughout the term of the easement, with the first payment being due on January 1, 2011.

SPECIAL USE LEASE AGREEMENTS

SPECIAL USE LEASE AGREEMENT NO. 1545 (APPROVAL)

APPLICANT'S NAME AND ADDRESS:

Enduring Resources, LLC
475-17th Street, Suite 1500
Denver, Colorado 80202

APPLICATION TYPE: INDUSTRIAL

TERM: 30 years

BEGINNING DATE: February 1, 2008

ENDING DATE: March 31, 2038

NEXT REVIEW DATE: February 1, 2013

FIRST YEAR RENTAL: \$ 600.00

APPLICATION FEE: \$ 250.00

PROCESSING FEE: \$ 700.00

ADVERTISING FEE: \$ 91.50

TOTAL SUBMITTED: \$1,641.50

LEGAL DESCRIPTION:

Township 10 South, Range 22 East, SLB&M
Section 36: SW $\frac{1}{4}$ NW $\frac{1}{4}$ (within)

Tap Area:

Beginning at a point in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 36, Township 10 South, Range 22 East, SLB&M, which bears N 66°55'21" E 596.56 ft. from the West Quarter Corner of said section, thence N 14°00'20" E 50.00 ft.; thence S 75°59'40" E 50.00 ft.; thence S 14°00'20" W 50.00 ft.; thence N 75°59'40" W 50.00 ft. to the point of beginning. Basis of bearings is the West line of the NW $\frac{1}{4}$ of said section which is taken from global positioning satellite observations to bear N 00°13'03" W a measured distance of 2625.33 ft. Contains 0.06 acres, more or less.

Compressor Site:

Beginning at a point in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 36, Township 10 South, Range 22 East, SLB&M, which bears N 79°08'42" E 627.91 ft. from the West Quarter Corner of said section, thence N 37°02'53" E 115.00 ft.; thence S 52°57'07" E 60.00 ft.; thence S 37°02'53" W 115.00 ft.; thence N 52°57'07" W 60.00 ft. to the point of beginning. Basis of bearings is the West line of the NW $\frac{1}{4}$ of said section which is taken from global positioning satellite observations to bear N 00°13'03" W a measured distance of 2615.33 ft. Contains 0.16 acres, more or less.

Loop Line:

A strip of land 20 ft. wide, the centerline of which is described as follows:

Beginning at a point in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 36, Township 10 South, Range 22 East, SLB&M, which bears N 73°41'46" E 710.85 ft. from the West Quarter Corner of said section, thence N 63°02'45" W 115.76 ft. to a point in the said SW $\frac{1}{4}$ NW $\frac{1}{4}$, which bears N 66°28'49" E 631.54 ft. from the said West Quarter Corner. Basis of bearings is the West line of the NW $\frac{1}{4}$ of said section which is taken from global positioning satellite observations to bear N 00°13'03" W a measured distance of 2615.33 ft. Contains 0.05 acres, more or less.

COUNTY: Uintah

ACRES: 0.27

FUND: School

PROPOSED ACTION:

The applicant proposes to construct, operate, and maintain a compressor facility which will compress off-lease SITLA and federal gas. The applicant will install a tap area and a loop line between the compressor and tap area that will permit gas to be marketed through Anadarko's (Kerr McGee) pipeline located approximately 115 feet from the compressor facility. The total acres involving the compressor site, tap area, and connecting loop line is approximately 0.270 acres. The proposed term of the lease is 30 years.

SPECIAL USE LEASE AGREEMENT NO. 1545 (APPROVAL) (CONTINUED)**RELEVANT FACTUAL BACKGROUND:**

The application was advertised in a paper of local circulation in Uintah County. In addition, Uintah County was notified of the action and a copy of the notice was sent to all lessees, permittees, and adjoining landowners. The required public notice process has been completed pursuant to the requirements of R850-30-500(2)(d) and R850-30-500(2)(e). There were no competing applications received during the notice period.

The project was exempt from review by the Resource Development Coordinating Committee ("RDCC") as this area was an existing lease site.

A cultural resource inventory was completed by Montgomery Archaeological Consultants, Utah Antiquities Project No. (U-04-MQ-0538b,s). This inventory resulted in "no historic properties affected." The Trust Lands Administration staff archaeologist has reviewed the project and concurs with the finding.

EVALUATION OF FACTS:

Competing applications were solicited pursuant to R850-30-500(2) and no competing applications were received. The application was reviewed pursuant to R850-30-500(2)(g) and the applicant was notified of the need to submit a sealed bid pursuant to R850-30-500(2)(f). The applicant submitted a sealed bid in the amount of \$600.00 per year for the 0.270 acres for the lease site. The lease will have a clause providing for escalation of the annual rental fee at the end of each five-year period utilizing the approved index.

This action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Kurt Higgins, the Director approved the issuance of SULA 1545 with a beginning annual rental of \$600.00. The term of the lease will be 30 years, with a five-year rental review pursuant to R850-30-400.

SPECIAL USE LEASE AGREEMENT NO. 1186 (RECLAMATION BOND)

Pursuant to Paragraph 14 of the lease agreement, Great Salt Lake Minerals, 9900 West 109th St., Overland Park, KS 66210, has submitted Corporate Surety Bond No. K07805378. The bonding company is Westchester Fire Insurance Company, 436 Walnut Street, Philadelphia, PA 19106. The reclamation bond is for \$5,000.00 and will remain in full force and effect until released by the Trust Lands Administration. Box Elder County. School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director accepted the bond submitted for SULA 1186.

SPECIAL USE LEASE AGREEMENT NO. 806 (ASSIGNMENT)

Pursuant to R850-30-900(6), James B. Butler and Catherine A. Bonde, 1510 Murphy Lane, Moab, UT 84532, request permission to assign 100% of their interest in the above-referenced lease to Kelly Dearth, 802 Samoan Dr., Grand Junction, CO 81501. The lease has been adjusted to the current lease form as required by R850-30-900(5)(a). The \$250.00 assignment fee has been submitted. San Juan County. School Fund

Upon recommendation of Mr. Lou Brown, the Director approved the assignment of SULA 806.

SALES**PRE SALE NO. 7278 (CANCELLATION)**

Pre Sale No. 7278 was assigned to property in Washington County that was being considered for sale by the Trust Lands Administration's surface staff. The Trust Lands Administration has determined that development potential and exchange potential may exist in this area and that a sale of this property is not appropriate at this time. It is, therefore, recommended that Pre Sale 7278 be canceled. As this was an Agency initiated action, there were no fees assessed.

Upon recommendation of Mr. Lou Brown, the Director canceled PS 7278.

DEVELOPMENT ACTIONS

DEVELOPMENT SUBDIVISION SALES

THE FOLLOWING SALES HAVE BEEN EXECUTED AND PATENTS ISSUED FOR:

SUBD 10.0 Highland Park Phase 1 Subdivision

These transactions have been executed pursuant to Development Lease DEVL 610.

LEGAL DESCRIPTION: (SUBDIVISION)

Section 7, Township 42.0 S, Range 14.0 W, SLBM

Section 18, Township 42.0 S, Range 14.0 W, SLBM

PURCHASER:

GOLDEN HERITAGE HOMES, INC.

2303 N. CORAL CANYON BLVD., SUITE 200

ST. GEORGE, UT 84780

LOT SALE DESCRIPTION:

Desc /	Certificate #	Cert/Sale Dt	Patent #	Patent Dt	Lot Price	Fee	Acreage	Fund	Section
Lot 136	26377-10-136	12/11/07	19928-10-136	07/07/06	\$10,315.20	\$20.00	0.11	SCH	7
Lot 241	26377-10-241	12/14/07	19928-10-241	07/07/06	\$15,058.03	\$20.00	0.16	SCH	7
Lot 255	26377-10-255	12/11/07	19928-10-255	07/07/06	\$15,102.86	\$20.00	0.18	SCH	7

LIST MINERAL RESERVATIONS:

Subject to a reservation to the State of all coal and other mineral deposits along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits.

LIST SURFACE RESERVATIONS:

Subject to an easement across the property for utilities as shown on the recorded plat map; also,

DEVELOPMENT SUBDIVISION SALES (CONTINUED))

Subject to any valid, existing rights of way of any kind and any right, interest, reservation or exception appearing of record, and subject also to all rights of way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute.

Subject to the Covenants, Conditions, and Restrictions that have been recorded for the subdivision.

This item was submitted for record-keeping purposes by Amera Musial.

DEVELOPMENT SUBDIVISION SALES

THE FOLLOWING SALES HAVE BEEN EXECUTED AND PATENTS ISSUED FOR:

SUBD 14.0 Casitas at Hidden Valley

These transactions have been executed pursuant to Development Lease DEVL 754.

LEGAL DESCRIPTION: (SUBDIVISION)

Section 7, Township 43.0 S, Range 15.0 W, SLBM

Section 18, Township 43.0 S, Range 15.0 W, SLBM

PURCHASER:

IVORY SOUTHERN, LLC
3143 SOUTH 840 EAST
SAINT GEORGE, UT 84790

LOT SALE DESCRIPTION:

Desc /	Certificate #	Cert/Sale Dt	Patent #	Patent Dt	Lot Price	Fee	Acreage	Fund	Section
Lot 69	26419-14-69	12/17/07	19990-14-69	01/31/07	\$24,914.18	\$100.00	0.04	SCH	18
Lot 71	26419-14-71	12/17/07	19990-14-71	01/31/07	\$20,564.98	\$100.00	0.03	SCH	18
Lot 73	26419-14-73	12/13/07	19990-14-73	01/31/07	\$24,761.98	\$100.00	0.04	SCH	18
Lot 77	26419-14-77	12/17/07	19990-14-77	01/31/07	\$20,714.98	\$100.00	0.03	SCH	18

LIST MINERAL RESERVATIONS:

Subject to a reservation to the State of all coal and other mineral deposits along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits.

LIST SURFACE RESERVATIONS:

Subject to an easement across the property for utilities as shown on the recorded plat map; also,

Subject to any valid, existing rights of way of any kind and any right, interest, reservation or exception appearing of record, and subject also to all rights of way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute.

Subject to the Covenants, Conditions, and Restrictions that have been recorded for the subdivision.

This item was submitted for record-keeping purposes by Amera Musial.

CORRECTION TO CORRECTION

DEVELOPMENT SALE FOR FORT PIERCE INDUSTRIAL (PS 7385)

IN THE DIRECTOR'S MINUTES OF NOVEMBER 30, 2007, PAGES 32 AND 33, A **CORRECTION** WAS SUBMITTED TO CORRECT THE DATE OF SALE. THE ORIGINAL DIRECTOR'S MINUTES REFERENCED FROM OCTOBER 5, 2007, WAS INCORRECT. THE CORRECT ORIGINAL DIRECTOR'S MINUTES REFERENCE DATE FOR THE SALE WAS **NOVEMBER 16, 2007**. THE **DATE OF SALE**, IN THE DIRECTOR'S MINUTES OF NOVEMBER 16, 2007, PAGES 18 AND 19 WAS REPORTED INCORRECTLY AND HAS BEEN CORRECTED AS SHOWN:

CERTIFICATE OF SALE NO.: 24878
CERTIFICATE/DATE OF SALE: September 12, 2007
PATENT NO.: 20058
PATENT DATE: August 22, 2007
PROJECT: Fort Pierce Industrial
PROJECT MANAGER: Doug Buchi
PROJECT CODE: FPIND 001 00
FUND: School
SALE PRICE: \$220,150.00

BUYER:
MONTY A. MOSHIER
3011 Kings Court Lane
Washington, Utah 84780

LEGAL DESCRIPTION OF SALE PARCEL:
Township 43 South, Range 15 West, SLB&M
Section 19:

Beginning at a point North 1°10'51" East 124.55 feet along the Section Line and North 90° 00'00" West 1514.09 feet from the East ¼ Corner of Section 19, Township 43 South, Range 15 West, Salt Lake Base and Meridian, and running thence North 2°40'04" East 38.07 feet; thence South 89°00'49" West 197.32 feet; thence South 0°49'47" East 238.84 feet to the point of a 45.00 foot radius curve to the left; thence Southeasterly through a central angle of 89°58'42" and 70.67 feet along the arc of said curve to the point of a 2678.70 foot radius compound radius curve to the left; thence Easterly through a central angle of 3°12'38" and 150.09 feet along the arc of said curve; thence North 0°49'47" West 242.23 feet to the point of beginning.

Containing 1.258 acres

This item was submitted by Andrea L. James for record-keeping purposes.

ACTIONS CONTAINING FEE WAIVERS

NONE